

AMENDED IN ASSEMBLY JUNE 15, 2000

AMENDED IN ASSEMBLY JUNE 14, 2000

SENATE BILL

No. 1664

Introduced by ~~Senator Karnette~~ Senators *Karnette and Leslie*

(Coauthors: Senators *Alarcon, Chesbro, Costa, Dunn, Escutia, Figueroa, Hughes, McPherson, Ortiz, Perata, Rainey, Sher, Solis, and Soto*)

(Coauthors: Assembly Members *Alquist, Aroner, Calderon, Cardoza, Corbett, Correa, Davis, Dutra, Gallegos, Hertzberg, Honda, Jackson, Knox, Kuehl, Lempert, Longville, Lowenthal, Machado, Mazzoni, Nakano, Reyes, Romero, Scott, Shelley, Steinberg, Strom-Martin, Thomson, Torlakson, Villaraigosa, Vincent, Washington, Wiggins, and Wildman*)

February 22, 2000

An act to amend Sections 20543, 20544, and 20563 of the Revenue and Taxation Code, relating to taxation, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 1664, as amended, Karnette. Franchise and income tax laws: seniors' tax assistance: full value: property tax equivalent.

The Gonsalves-Deukmejian-Petris Senior Citizens Property Tax Assistance Law provides for payment of assistance by the Franchise Tax Board to claimants, whether those claimants own or rent their residences, in accordance

with schedules that reduce the amount of assistance provided as the amount of a claimant's household income increases along a specified scale of household income amounts. The amount of assistance for a claimant owning his or her residential dwelling is a specified percentage, based on household income, of tax on the first \$34,000 of full value. The amount of assistance for a claimant renting his or her residence is a specified percentage, based on household income, of the statutory property tax equivalent of \$250.

This bill would provide a one-time 150% increase in property tax assistance payments for low-income senior citizens and disabled individuals for the 2000–01 fiscal year, as provided.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 20543 of the Revenue and
2 Taxation Code is amended to read:

3 20543. (a) (1) The amount of assistance for a
4 claimant owning his or her residential dwelling shall be
5 based on claimant's household income for the period set
6 forth in Section 20503.

7 (2) Except as provided in paragraph (3), the
8 percentage of assistance for which each claimant owning
9 his or her residential dwelling shall be eligible shall be
10 based on the following scale:

11		
12		The percentage of tax on
13		the first \$34,000 of full
14		value (as determined for
15	If the total household income (as defined	tax purposes) used to
16	in this part) is not more than:	provide assistance is:
17	\$3,300	96%
18	3,520	94
19	3,740	92
20	3,960	90

1	4,180	88
2	4,400	86
3	4,620	84
4	4,840	82
5	5,060	80
6	5,280	78
7	5,500	76
8	5,720	73
9	5,940	69
10	6,160	65
11	6,380	61
12	6,600	57
13	6,820	53
14	7,040	49
15	7,260	45
16	7,480	41
17	7,700	37
18	7,920	34
19	8,140	31
20	8,360	28
21	8,580	25
22	8,800	22
23	9,020	20
24	9,240	18
25	9,460	16
26	9,680	14
27	9,900	12
28	10,450	10
29	11,000	8
30	11,550	7
31	12,100	6
32	12,650	5
33	13,200	4

(3) For claims filed with respect to the 2000 calendar year, the percentage of assistance for which each claimant owning his or her residential dwelling shall be eligible shall be based on the following scale:

1		The percentage of tax on
2		the first \$34,000 of full
3		value (as determined for
4	If the total household income (as defined	tax purposes) used to
5	in this part) is not more than:	provide assistance is:
6	\$8,498	240%
7	9,065	235
8	9,631	230
9	10,198	225
10	10,765	220
11	11,331	215
12	11,897	210
13	12,464	205
14	13,031	200
15	13,598	195
16	14,164	190
17	14,730	183
18	15,297	173
19	15,864	163
20	16,430	153
21	16,997	143
22	17,563	133
23	18,129	123
24	18,697	113
25	19,263	103
26	19,830	93
27	20,396	85
28	20,962	78
29	21,530	70
30	22,096	63
31	22,662	55
32	23,229	50
33	23,795	45
34	24,362	40
35	24,929	35
36	25,495	30
37	26,912	25
38	28,328	20
39	29,745	18
40	31,161	15

1	32,578	13
2	33,993	10

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4 (b) With respect to assistance that is provided by the
5 Franchise Tax Board pursuant to this chapter for the 1999
6 calendar year, the household income figures set forth in
7 paragraph (2) of subdivision (a) shall be multiplied by a
8 factor of 2.51.

9 (c) With respect to assistance that is provided by the
10 Franchise Tax Board pursuant to this chapter for the 2000
11 calendar year and each year thereafter, the household
12 income figures that apply to assistance provided by the
13 Franchise Tax Board during that period shall be the
14 household income figures that applied to assistance
15 provided by the Franchise Tax Board in the same period
16 in the immediately preceding year, multiplied by an
17 inflation factor calculated as follows:

18 (1) On or before February 1 of each year, the
19 Department of Industrial Relations shall transmit to the
20 Franchise Tax Board the percentage change in the
21 California Consumer Price Index for all items from June
22 of the second preceding calendar year to June of the
23 immediately preceding calendar year.

24 (2) The Franchise Tax Board shall add 100 percent to
25 the percentage change figure that is furnished pursuant
26 to paragraph (1) and divide the result by 100.

27 (3) The Franchise Tax Board shall multiply the
28 immediately preceding household income figure by the
29 inflation adjustment factor determined in paragraph (2),
30 and round off the resulting product to the nearest one
31 dollar (\$1).

32 SEC. 2. Section 20544 of the Revenue and Taxation
33 Code is amended to read:

34 20544. (a) (1) The amount of assistance for a
35 claimant renting his or her residence shall be based on the
36 claimant's household income for the time period set forth
37 in Section 20503.

38 (2) Except as provided in paragraph (3), the
39 percentage of assistance for which each claimant renting



1 his or her residence shall be eligible shall be based on the
 2 following scale:

		The statutory property tax equivalent is:	The percentage of the statutory property tax equivalent used to provide assistance is:
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4			
5	If the total household		
6	income (as defined in this		
7	part) is not more than:		
8	\$3,300	\$250	96%
9	3,520	250	94
10	3,740	250	92
11	3,960	250	90
12	4,180	250	88
13	4,400	250	86
14	4,620	250	84
15	4,840	250	82
16	5,060	250	80
17	5,280	250	78
18	5,500	250	76
19	5,720	250	73
20	5,940	250	69
21	6,160	250	65
22	6,380	250	61
23	6,600	250	57
24	6,820	250	53
25	7,040	250	49
26	7,260	250	45
27	7,480	250	41
28	7,700	250	37
29	7,920	250	34
30	8,140	250	31
31	8,360	250	28
32	8,580	250	25
33	8,800	250	22
34	9,020	250	20
35	9,240	250	18
36	9,460	250	16
37	9,680	250	14
38	9,900	250	12
39	10,450	250	10
40	11,000	250	8

1	11,550	250	7
2	12,100	250	6
3	12,600	250	5
4	13,200	250	4

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(3) For claims filed with respect to the 2000 calendar year, the percentage of assistance for which each claimant renting his or her residence shall be eligible shall be based on the following scale:

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If the total household income (as defined in this part) is not more than:	The statutory property tax equivalent is:	The percentage of the statutory property tax equivalent used to provide assistance is:
\$8,498	\$625	96%
9,065	625	94
9,631	625	92
10,198	625	90
10,765	625	88
11,331	625	86
11,897	625	84
12,464	625	82
13,031	625	80
13,598	625	78
14,164	625	76
14,730	625	73
15,297	625	69
15,864	625	65
16,430	625	61
16,997	625	57
17,563	625	53
18,219	625	49
18,697	625	45
19,263	625	41
19,830	625	37
20,396	625	34
20,962	625	31
21,530	625	28
22,096	625	25
22,662	625	22



1	23,229	.....	625	.....	20
2	23,795	.....	625	.....	18
3	24,362	.....	625	.....	16
4	24,929	.....	625	.....	14
5	25,495	.....	625	.....	12
6	26,912	625	10
7	28,328	625	8
8	29,745	625	7
9	31,161	625	6
10	32,578	625	5
11	33,993	625	4

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13 (b) With respect to assistance that is provided by the
 14 Franchise Tax Board pursuant to this chapter for the 1999
 15 calendar year, the household income figures set forth in
 16 paragraph (2) of subdivision (a) shall be multiplied by a
 17 factor of 2.51.

18 (c) With respect to assistance that is provided by the
 19 Franchise Tax Board pursuant to this chapter for the 2000
 20 calendar year and each year thereafter, the household
 21 income figures that apply to assistance provided by the
 22 Franchise Tax Board during that period shall be the
 23 household income figures that applied to assistance
 24 provided by the Franchise Tax Board in the same period
 25 in the immediately preceding year, multiplied by an
 26 inflation factor calculated as follows:

27 (1) On or before February 1 of each year, the
 28 Department of Industrial Relations shall transmit to the
 29 Franchise Tax Board the percentage change in the
 30 California Consumer Price Index for all items from June
 31 of the second preceding calendar year to June of the
 32 immediately preceding calendar year.

33 (2) The Franchise Tax Board shall add 100 percent to
 34 the percentage change figure that is furnished pursuant
 35 to paragraph (1) and divide the result by 100.

36 (3) The Franchise Tax Board shall multiply the
 37 immediately preceding household income figure by the
 38 inflation adjustment factor determined in paragraph (2),
 39 and round off the resulting product to the nearest one
 40 dollar (\$1).

1 SEC. 3. Section 20563 of the Revenue and Taxation
2 Code is amended to read:

3 20563. (a) The claim on which the assistance is based
4 shall be filed after July 1 of the fiscal year for which
5 assistance is claimed but on or before October 15
6 succeeding the fiscal year for which assistance is claimed.
7 The Franchise Tax Board may thereafter accept claims
8 through June 30 succeeding the fiscal year for which
9 assistance is claimed.

10 (b) The state shall assist the claimant after July 15 and
11 before November 15 of the calendar year in which the
12 claim is filed, except that if the claim is defective,
13 assistance shall be made as promptly as is practicable after
14 the claim has been perfected.

15 (c) A claimant who, because of a medical incapacity,
16 is prevented from filing a timely claim, shall be permitted
17 to file a claim within six months after the end of his or her
18 medical incapacity or three (3) years succeeding the end
19 of the fiscal year for which assistance is claimed,
20 whichever date is earlier.

21 SEC. 4. This act is an urgency statute necessary for the
22 immediate preservation of the public peace, health, or
23 safety within the meaning of Article IV of the
24 Constitution and shall go into immediate effect. The facts
25 constituting the necessity are:

26 In order to provide a one-time increase of property tax
27 assistance payments for low-income seniors and disabled
28 individuals for the 2000–01 fiscal year, it is necessary that
29 this act go into immediate effect.